



Homeowner Rehabilitation Program

Housing & Neighborhoods Department
Community Development Division



PURPOSE

To assist low-income persons with the rehabilitation of their existing home.

ELIGIBLE APPLICANTS

An applicant must:

- Qualify as a low- income household; and
- Presently occupy the property to be rehabilitated; and
- Occupy the property as a principal residence upon completion of the project; and
- Own the property under an approved form of ownership for a minimum of five years prior to application.

ELIGIBLE PROPERTIES

- Property must be located within the City limits of Raleigh (see Loan terms chart below for additional restrictions).
- Property must be traditional single-family housing (single-family detached, townhouse or condominium unit)
- Property must have three or more severely deteriorated systems (such as roof, hvac, electrical, plumbing, structural) that threaten the life, safety and/or health of the occupant(s)
- The value of the assisted property after rehabilitation, as determined by an appraisal, cannot exceed \$223,000.
- Property must meet written rehabilitation standards, as determined by Community Development Staff or designee, upon completion of the rehabilitation.

ELIGIBLE COSTS

Funds can be used to cover the following costs:

- The hard rehabilitation cost necessary to meet required property standards; and
- The associated soft costs (i.e. closing costs, appraisals, fees, etc.)

LOAN TERMS		
	Deferred loan (Forgivable)	Deferred Loan (Forgiveable)
Property	Located within city limits	Located within a neighborhood revitalization strategy area or designated redevelopment area
Age	62 and older or disabled	Under 62
Income	80% and below (see chart on back)	80% and below (see chart on back)
Max Loan Amount	\$90,000	\$90,000

Loan terms (contd')		
	Deferred loan (Forgivable)	Deferred Loan (Forgivable)
Interest Rate	0%	0%
Monthly Payment	\$0	\$0
Term	Loan is forgiven after 5 years*.	Loan discounts annually and is forgiven after 15 years*.

* If the subject property is sold, otherwise transferred or the borrower ceases to reside at the subject property prior to the expiration of the term (see above), the outstanding balance will be immediately due and payable upon such event.

MAXIMUM QUALIFYING INCOME**

Total household income is calculated by adding all of the gross income for every person 18 years of age and older who will be living in the home.

**Maximum income amounts change each year, the chart below is for 2018.

PERCENT AREA MEDIAN INCOME GUIDELINES (Required Use Date 06/01/2018)

Family Size	1	2	3	4	5	6	7	8
Low - 80%	\$47,250	\$54,000	\$60,750	\$67,450	\$72,850	\$78,250	\$83,650	\$89,050

Housing & Neighborhoods

421 Fayetteville St. Ste. 1200
 Raleigh, NC 27601
 For additional information call (919) 996-4330

This is presented for informational purposes only.
 Underwriting guidelines and other restrictions may apply.

